

107TH CONGRESS  
1ST SESSION

# S. 1806

To amend the Public Health Service Act with respect to health professions programs regarding the practice of pharmacy.

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## IN THE SENATE OF THE UNITED STATES

DECEMBER 11, 2001

Mr. REED (for himself, Mr. ENZI, Mr. JOHNSON, Mr. CHAFEE, Mr. GRAHAM, Ms. COLLINS, Ms. LANDRIEU, Mr. HUTCHINSON, Mr. INOUE, Mr. COCHRAN, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Public Health Service Act with respect to health professions programs regarding the practice of pharmacy.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Pharmacy Education  
5       Aid Act of 2001”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

1           (1) Pharmacists are an important link in our  
2           Nation’s health care system. A critical shortage of  
3           pharmacists is threatening the ability of pharmacies  
4           to continue to provide important prescription related  
5           services.

6           (2) In the landmark report entitled “To Err is  
7           Human: Building a Safer Health System”, the Insti-  
8           tute of Medicine reported that medication errors can  
9           be partially attributed to factors that are indicative  
10          of a shortage of pharmacists (such as too many cus-  
11          tomers, numerous distractions, and staff shortages).

12          (3) Congress acknowledged in the Healthcare  
13          Research and Quality Act of 1999 (Public Law 106–  
14          129) a growing demand for pharmacists by requiring  
15          the Secretary of Health and Human Services to con-  
16          duct a study to determine whether there is a short-  
17          age of pharmacists in the United States and, if so,  
18          to what extent.

19          (4) As a result of Congress’ concern about how  
20          a shortage of pharmacists would impact the public  
21          health, the Secretary of Health and Human Services  
22          published a report entitled “The Pharmacist Work-  
23          force: A Study in Supply and Demand for Phar-  
24          macists” in December of 2000.

1           (5) “The Pharmacist Workforce: A Study in  
2       Supply and Demand for Pharmacists” found that  
3       “While the overall supply of pharmacists has in-  
4       creased in the past decade, there has been an un-  
5       precedented demand for pharmacists and for phar-  
6       maceutical care services, which has not been met by  
7       the currently available supply” and that the “evi-  
8       dence clearly indicates the emergence of a shortage  
9       of pharmacists over the past two years”.

10          (6) The same study also found that “The fac-  
11       tors causing the current shortage are of a nature not  
12       likely to abate in the near future without funda-  
13       mental changes in pharmacy practice and edu-  
14       cation.” The study projects that the number of pre-  
15       scriptions filled by community pharmacists will in-  
16       crease by 20 percent by 2004. In contrast, the num-  
17       ber of community pharmacists is expected to in-  
18       crease by only 6 percent by 2005.

19          (7) The demand for pharmacists will increase  
20       as prescription drug use continues to grow.

1 **SEC. 3. INCLUSION OF PRACTICE OF PHARMACY IN PRO-**  
 2 **GRAM FOR NATIONAL HEALTH SERVICE**  
 3 **CORPS.**

4 (a) INCLUSION IN CORPS MISSION.—Section  
 5 331(a)(3) of the Public Health Service Act (42 U.S.C.  
 6 254d(a)(3)) is amended—

7 (1) in subparagraph (D), by adding at the end  
 8 the following: “Such term includes pharmacist serv-  
 9 ices.”; and

10 (2) by adding at the end the following:

11 “(E)(i) The term ‘pharmacist services’ in-  
 12 cludes drug therapy management services fur-  
 13 nished by a pharmacist, individually or on be-  
 14 half of a pharmacy provider, and such services  
 15 and supplies furnished incident to the phar-  
 16 macist’s drug therapy management services,  
 17 that the pharmacist is legally authorized to per-  
 18 form (in the State in which the individual per-  
 19 forms such services) in accordance with State  
 20 law (or the State regulatory mechanism pro-  
 21 vided for by State law).”.

22 (b) SCHOLARSHIP PROGRAM.—Section 338A of the  
 23 Public Health Service Act (42 U.S.C. 254l) is amended—

24 (1) in subsection (a)(1), by inserting “phar-  
 25 macists,” after “physicians,”; and

1           (2) in subsection (b)(1), by inserting “phar-  
2       macy” after “dentistry,”.

3       (c) LOAN REPAYMENT PROGRAM.—Section 338B of  
4 the Public Health Service Act (42 U.S.C. 254l–1) is  
5 amended—

6           (1) in subsection (a)(1), by inserting “phar-  
7       macists,” after “physicians,”; and

8           (2) in subsection (b)(1), by inserting “phar-  
9       macy,” after “dentistry,”.

10       (d) FUNDING.—Section 338H(b)(2) of the Public  
11 Health Service Act (42 U.S.C. 254q(b)(2)) is amended in  
12 subparagraph (A), by inserting before the period the fol-  
13 lowing: “, which may include such contracts for individuals  
14 who are in a course of study or program leading to a phar-  
15 macy degree”.

16 **SEC. 4. CERTAIN HEALTH PROFESSIONS PROGRAMS RE-**  
17 **GARDING PRACTICE OF PHARMACY.**

18       (a) IN GENERAL.—Part E of title VII of the Public  
19 Health Service Act (42 U.S.C. 294n et seq.) is amended—

20           (1) by redesignating section 770 as section 771;  
21       and

22           (2) by adding at the end the following subpart:

1           **“Subpart 3—Certain Workforce Programs**

2   **“SEC. 771. PRACTICING PHARMACIST WORKFORCE.**

3           “(a) RECRUITING AND RETAINING STUDENTS AND  
4 FACULTY.—

5           “(1) IN GENERAL.—The Secretary may make  
6 awards of grants or contracts to qualifying schools  
7 of pharmacy (as defined in subsection (f)) for the  
8 purpose of carrying out programs for recruiting and  
9 retaining students and faculty for such schools, in-  
10 cluding programs to provide scholarships for attend-  
11 ance at such schools to full-time students who have  
12 financial need for the scholarships and who dem-  
13 onstrate a commitment to becoming practicing phar-  
14 macists or faculty.

15           “(2) PREFERENCE IN PROVIDING SCHOLAR-  
16 SHIPS.—An award may not be made under para-  
17 graph (1) unless the qualifying school of pharmacy  
18 involved agrees that, in providing scholarships pur-  
19 suant to the award, the school will give preference  
20 to students for whom the costs of attending the  
21 school would constitute a severe financial hardship.

22           “(b) LOAN REPAYMENT PROGRAM REGARDING FAC-  
23 ULTY POSITIONS.—

24           “(1) IN GENERAL.—The Secretary may estab-  
25 lish a program of entering into contracts with indi-  
26 viduals described in paragraph (2) under which the

1 individuals agree to serve as members of the fac-  
2 ulties of qualifying schools of pharmacy in consider-  
3 ation of the Federal Government agreeing to pay,  
4 for each year of such service, not more than \$20,000  
5 of the principal and interest of the educational loans  
6 of such individuals.

7 “(2) ELIGIBLE INDIVIDUALS.—The individuals  
8 referred to in paragraph (1) are individuals who—

9 “(A) have a doctoral degree in pharmacy  
10 or the pharmaceutical sciences; or

11 “(B) are enrolled in a school of pharmacy  
12 and are in the final academic year of such  
13 school in a program leading to such a doctoral  
14 degree.

15 “(3) REQUIREMENTS REGARDING FACULTY PO-  
16 SITIONS.—The Secretary may not enter into a con-  
17 tract under paragraph (1) unless—

18 “(A) the individual involved has entered  
19 into a contract with a qualifying school of phar-  
20 macy to serve as a member of the faculty of the  
21 school for not less than 2 years;

22 “(B) the contract referred to in subpara-  
23 graph (A) provides that, in serving as a mem-  
24 ber of the faculty pursuant to such subpara-  
25 graph, the individual will—

1 “(i) serve full time; or

2 “(ii) serve as a member of the adjunct  
3 clinical faculty and in so serving will ac-  
4 tively supervise pharmacy students for 25  
5 academic weeks per year (or such greater  
6 number of academic weeks as may be spec-  
7 ified in the contract); and

8 “(C) such contract provides that—

9 “(i) the school will, for each year for  
10 which the individual will serve as a mem-  
11 ber of the faculty under the contract with  
12 the school, make payments of the principal  
13 and interest due on the educational loans  
14 of the individual for such year in an  
15 amount equal to the amount of such pay-  
16 ments made by the Secretary for the year;

17 “(ii) the payments made by the school  
18 pursuant to clause (i) on behalf of the indi-  
19 vidual will be in addition to the pay that  
20 the individual would otherwise receive for  
21 serving as a member of such faculty; and

22 “(iii) the school, in making a deter-  
23 mination of the amount of compensation to  
24 be provided by the school to the individual  
25 for serving as a member of the faculty, will



1           make the determination without regard to  
2           the amount of payments made (or to be  
3           made) to the individual by the Federal  
4           Government under paragraph (1).

5           “(4) APPLICABILITY OF CERTAIN PROVI-  
6           SIONS.—The provisions of sections 338C, 338G, and  
7           338I shall apply to the program established in para-  
8           graph (1) to the same extent and in the same man-  
9           ner as such provisions apply to the National Health  
10          Service Corps Loan Repayment Program established  
11          in subpart III of part D of title III, including the  
12          applicability of provisions regarding reimbursements  
13          for increased tax liability and provisions regarding  
14          bankruptcy.

15          “(5) WAIVER REGARDING SCHOOL CONTRIBU-  
16          TIONS.—The Secretary may waive the requirement  
17          established in paragraph (3)(C) if the Secretary de-  
18          termines that the requirement will impose an undue  
19          financial hardship on the school involved.

20          “(c) INFORMATION TECHNOLOGY.—The Secretary  
21          may make awards of grants or contracts to qualifying  
22          schools of pharmacy for the purpose of assisting such  
23          schools in acquiring and installing computer-based sys-  
24          tems to provide pharmaceutical education. Education pro-  
25          vided through such systems may be graduate education,

1 professional education, or continuing education. The com-  
2 puter-based systems may be designed to provide on-site  
3 education, or education at remote sites (commonly re-  
4 ferred to as distance learning), or both.

5 “(d) FACILITIES.—The Secretary may award grants  
6 under section 1610 for construction projects to expand,  
7 remodel, renovate, or alter existing facilities for qualifying  
8 schools of pharmacy or to provide new facilities for the  
9 schools.

10 “(e) REQUIREMENT REGARDING EDUCATION IN  
11 PRACTICE OF PHARMACY.—With respect to the qualifying  
12 school of pharmacy involved, the Secretary shall ensure  
13 that programs and activities carried out with Federal  
14 funds provided under this section have the goal of edu-  
15 cating students to become licensed pharmacists, or the  
16 goal of providing for faculty to recruit, retain, and educate  
17 students to become licensed pharmacists.

18 “(f) QUALIFYING SCHOOL OF PHARMACY.—For pur-  
19 poses of this section, the term ‘qualifying school of phar-  
20 macy’ means a college or school of pharmacy (as defined  
21 in section 799B) that, in providing clinical experience for  
22 students, requires that the students serve in a clinical ro-  
23 tation in which pharmacist services (as defined in section  
24 331(a)(3)(E)) are provided at or for—

1 “(1) a medical facility that serves a substantial  
 2 number of individuals who reside in or are members  
 3 of a medically underserved community (as so de-  
 4 fined);

5 “(2) an entity described in any of subpara-  
 6 graphs (A) through (L) of section 340B(a)(4) (relat-  
 7 ing to the definition of covered entity);

8 “(3) a health care facility of the Department of  
 9 Veterans Affairs or of any of the Armed Forces of  
 10 the United States;

11 “(4) a health care facility of the Bureau of  
 12 Prisons;

13 “(5) a health care facility operated by, or with  
 14 funds received from, the Indian Health Service; or

15 “(6) a disproportionate share hospital under  
 16 section 1923 of the Social Security Act.

17 “(g) AUTHORIZATION OF APPROPRIATIONS.—For the  
 18 purpose of carrying out this section, there are authorized  
 19 to be appropriated such sums as may be necessary for  
 20 each of the fiscal years 2002 through 2006.”.

21 (b) TECHNICAL AND CONFORM AMENDMENTS.—Sec-  
 22 tion 1610(a) of the Public Health Service Act (42 U.S.C.  
 23 300r(a)) is amended—

24 (1) in paragraph (1)—

25 (A) in subparagraph (A)—

1 (i) in clause (i), by striking “or” at  
2 the end thereof;

3 (ii) in clause (ii), by striking the pe-  
4 riod and inserting “; or”; and

5 (iii) by adding at the end the fol-  
6 lowing:

7 “(iii) expand, remodel, renovate, or alter exist-  
8 ing facilities for qualifying schools of pharmacy or to  
9 provide new facilities for the schools in accordance  
10 with section 771(d).”;

11 (B) in subparagraph (B)—

12 (i) in clause (i), by striking “and” at  
13 the end thereof;

14 (ii) in clause (ii)(II), by striking the  
15 period and inserting “; or”; and

16 (iii) by adding at the end the fol-  
17 lowing:

18 “(iii) a qualifying school of pharmacy (as de-  
19 fined in section 771(f)).”;

20 (2) by striking the first sentence of paragraph  
21 (3) and inserting the following: “There are author-  
22 ized to be appropriated for grants under paragraph  
23 (1)(A)(iii), such sums as may be necessary.”; and

24 (3) by adding at the end the following:

1           “(4) RECAPTURE OF PAYMENTS.—If, during  
 2           the 20-year period beginning on the date of the com-  
 3           pletion of construction pursuant to a grant under  
 4           paragraph (1)(A)(iii)—

5                   “(A) the school of pharmacy involved, or  
 6                   other owner of the facility, ceases to be a public  
 7                   or nonprofit private entity; or

8                   “(B) the facility involved ceases to be used  
 9                   for the purposes for which it was constructed  
 10                  (unless the Secretary determines, in accordance  
 11                  with regulations, that there is good cause for  
 12                  releasing the school or other owner from such  
 13                  obligation);

14           the United States is entitled to recover from the  
 15           school or other owner of the facility the amount  
 16           bearing the same ratio to the current value (as de-  
 17           termined by an agreement between the parties or by  
 18           action brought in the United States District Court  
 19           for the district in which such facility is situated) of  
 20           the facility as the amount of the Federal participa-  
 21           tion bore to the cost of the construction of such fa-  
 22           cility.”.

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